

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**



**FILED**

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Application of the PACIFIC GAS AND ELECTRIC  
COMPANY for Approval of 2008-2020 Air  
Conditioning Direct Load Control Program

Application No. 07-04-009

**PREHEARING CONFERENCE STATEMENT OF THE UTILITY REFORM NETWORK  
TO APPLICATION 07-04-009**



July 9, 2007

Nina Suetake, Staff Attorney

**THE UTILITY REFORM NETWORK**

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## **PREHEARING CONFERENCE STATEMENT OF THE UTILITY REFORM NETWORK TO APPLICATION 07-04-009**

The Utility Reform Network (TURN) hereby submits this prehearing conference statement in response to the June 27, 2007 e-mail of Administrative Law Judge Karl Bemederfer regarding Pacific Gas & Electric Company's (PG&E) Application for Approval of its 2008-2020 Air Conditioning Direct Load Control Program.

In this application, PG&E has proposed to spend \$362 million in ratepayer funds for 300 MW of potential load reduction through a system-wide air conditioning direct load control program. While TURN generally supports air conditioner cycling programs as an effective means of achieving demand response (DR) goals, PG&E's program, as proposed, is not a cost-effective means of achieving its desired goals. In this filing, TURN provides a list of key issues that should be considered in this proceeding and addresses scheduling concerns.

### **Key Issues**

In their joint prehearing conference statement, DRA and PG&E provided an extensive list of issues to be considered in this proceeding. While TURN largely agrees with the list provided by DRA and PG&E, TURN would recommend these following additions and/or clarifications.

- 1) Should PG&E's proposed design be changed in order to improve the cost-effectiveness of the program and provide positive net benefits to customers?
- 2) Should PG&E investigate other cost effective options, such as fully outsourcing this program to a third party?
- 3) How will the AC Cycling program affect the demand response from PG&E's AMI program?
- 4) Should customers participating in the AC Cycling program also be allowed to take advantage of the CPP program?

- 5) How will this AC cycling program be coordinated with PG&E's AMI program?  
(Are there any ways of reducing costs rather than paying for two independent communications systems?)

**Procedural Schedule**

TURN is amenable to the schedule proposed by PG&E and DRA in their prehearing conference statement.

July 9, 2007

Respectfully submitted,

/S/  
Nina Suetake, Staff Attorney

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CERTIFICATE OF SERVICE

I, Larry Wong, certify under penalty of perjury under the laws of the State of California that the following is true and correct:

On July 9, 2007 I served the attached:

**PREHEARING CONFERENCE STATEMENT OF THE UTILITY REFORM NETWORK  
TO APPLICATION 07-04-009**

on all eligible parties on the attached lists to **A.07-04-009**, by sending said document by electronic mail to each of the parties via electronic mail, as reflected on the attached Service List.

Executed this July 9, 2007, at San Francisco, California.

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Larry Wong

**Service List for A.07-04-009**

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